

From: Pamela J Horack
8 Mischief Lane
Lake Wylie, SC 29710

To: Public Service Commission of South Carolina

Date: Thursday, August 4, 2011

My name is Pam Horack and I am a wife, mother and business woman in Lake Wylie.

I am concerned about the proposed rate increase filing by Carolina Water Service for the River Hills neighborhood. I ran some numbers based on my bills from January of this year through June. Here are the results:

(review spreadsheet)

This is disturbing since I would be footing this cost increase to fund a company that is not providing me and obvious increase in service. Here are a couple of recent service examples:

During a recent storm, when power was out for almost 24 hours, we received a recorded call around 11pm informing us that Carolina Water was requesting limited water use as they return to normal. They called the next morning to say that the water restriction was lifted. Why would they wake me up to tell me to limit my water use overnight? That made no sense to me.

During another call, I requested information on a separate irrigation meter. The customer service representative was not able to give me any information regarding my request. She was not friendly. She said she would send a request for someone to come to my house to look at my meter. No word from them. I called a second time and received no follow up from the company.

I called again this week. I found a billing discrepancy on my January bill, and it took two phone calls to correct. Apparently, the **"base charge"** for water service is increased by a prorated amount if the meter is not read for more than 33 days. The increase is prorated at a 30 day rate, though, not based on 33 days. I do not receive a credit if they read my meter at 28 days. It is not my responsibility to pay extra when their employees do not do their job timely.

During this call, I also mentioned that I wanted a separate meter and this time, I did receive information from Annette Bailey, who was very helpful. Why does it take so many phone calls to correct errors and get information?

According to the Rock Hill Herald article dated April 21, the application for rate increase includes an 11.5% return on equity for the shareholders. According the Utilities Inc. website, the company is owned by a private equity owner. Since the company's financials are not public information, I was not unable to review the numbers to determine if this is a valid ROE request. As a financial planner, I don't know of anyone who is receiving an 11.5% ROE in the current economy, particularly for taking on the no-risk proposition of increasing rates to those who are required to pay it.

The information on the company website reinforces the fact that this group is not interested in customers. Information on the website repeatedly states that Utilities Inc. is a "big company" that is "well-funded" and composed of board members with "industrial and accounting" experience. Nowhere in the company information do they state that they work for the benefit of the customer. They know they have a captive consumer base here; therefore, this private equity owner can do what it wants in requesting huge rate increases.

During this critical economic time of rebuilding for so many individuals, a rate increase request of this magnitude can make or break a family's household budget. Personally, our family will need to make some choices in our budget if this increase goes through. Do we pay for water? Or groceries? Or gas? That's the decision we will have to make.

As a financial planner, I see my client's budgets. Many families are still suffering from the decreased net worth of their homes and retirement funds. Wages are not increasing. Household budgets are tightly squeezed and this rate increase will only serve to make matters worse. People don't have this much money to support this large of an increase.

Looking forward, as water becomes a scarce resource; the cost of the actual commodity will increase. Based on the structure we have in this area, water will become unaffordable.

According to an article in the Herald dated Dec 26, 2010:

"County and municipal leaders will revisit talks next year about how best to meet York County's growing demand for efficient and affordable water and sewer services. York County residents receive water and sewer through a tangle of service providers resulting in inconsistent standards and costs to customers, county leaders say. To remedy these issues and prepare for expected growth, county leaders are calling for a regional approach."

I believe that requests such as this from Carolina Water continue to drive business away from the Lake Wylie area. I have personally considered moving to reduce my cost of living and my monthly water bill is one of the biggest components of that thinking.

I'm normally pro-business, but I would really like to see the water service in our area taken over by a government entity that can distribute it in a more fair, equitable and affordable manner. I sincerely hope that the SC Public Service Commission will help this process.

You can deny this rate increase. Make the cost of doing business here unaffordable for Carolina Water, instead of for its customers. Once this area is no longer profitable for them, they will give up their stronghold on this community and those with a local interest can move forward with water solutions that work for Lake Wylie and for York County.

Thank you.

[illegible]

	Current		Proposed	Ccurrent		Proposed	Ccurrent		Proposed
	3/30/2011			2/28/2011			1/30/2011		
	5110			5330			6090		
Water									
Base Charge	\$11.09	I	19.87	\$11.09	I	19.87	\$13.31	I	19.87
2.03 per 1000 gal	\$10.37	6.49	33.16	\$10.82	6.49	34.59	\$12.36	6.49	39.52
York Co Base			0.15			0.15			0.15
0.00326 per 1000 gal	\$16.81		15.03	\$17.53		15.03	\$20.03		15.03
SC DHEC Fee	\$0.73		0.73	\$0.73		0.73	\$0.88		0.73
Total Water	\$39.00		68.94	\$40.17		70.37	\$46.58		75.30
Sewer									
Wastewater collection	\$25.70	I	44.32	\$25.70	I	44.32	\$30.84	I	44.32
3.64 per 1000 gal	\$18.60		16.78	\$19.40		16.78	\$22.17		16.78
York Co Base	\$0.32		0.32	\$0.32		0.32	\$0.32		0.32
Total Wastewater	\$44.62		61.42	\$45.42		61.42	\$53.33		61.42
Total Bill	\$83.62		\$130.36	\$85.59		\$131.79	\$99.91		\$136.72
% Increase			55.90%			53.98%			36.85%
\$\$ Increase			46.74			46.20			36.81
						-			
							anything over 33 days prorates the base charges		



Carolina Water Service Inc of SC
Phone: (800) 367-4314
Collections: (800) 367-4314
Customer Service: (800) 367-4314
www.uiwater.com

Bill Date	Account Number	Due Date	Please Pay:
12/30/2010		1/24/2011	\$ 76.66

Name **PAM HORACK** Primary Telephone # **(803) 831-1929**

Service Address **8 MISCHIEF ST, LAKE WYLIE, SC, 29710**

Activity Since Last Bill

Previous Balance	\$82.64
Payments received as of 12/30/2010	\$-82.64
Balance as of 12/30/2010	\$0.00

Residential Purchased Water

Water Distribution Base Charge	\$11.09
Distribution Usage of 4,330 gallons at \$2.03 per 1,000 gallons	\$8.79
York County Supply Charge	\$14.27
SC DHEC Fee	\$0.73
Total Residential Purchased Water	\$34.88

York County Residential Wastewater Treatment

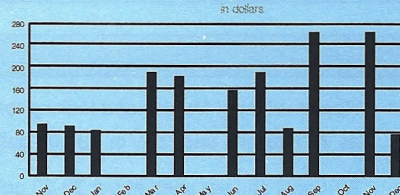
Wastewater Collection	\$25.70
Usage of 4,330 gallons	\$15.76
York County Wholesale Wastewater Base Charge	\$0.32
Total York County Residential Wastewater Treatment	\$41.78

Total Amount Due **\$76.66**

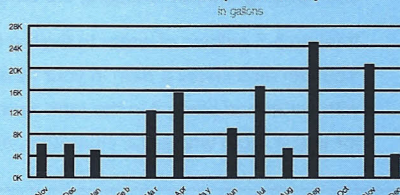
Summary of Service

Meter Reading	Meter #	
Current	1330400	12/23/2010
Previous	1326070	11/28/2010
Usage	4,330 Gallons	
Number of Days:	25	
Average Daily Use:	173 Gallons	
Average Daily Cost:	\$ 3.07	

Billing History



Consumption History



A fee of 1.5% per month will be added if unpaid by the due date.
Make check payable to: Carolina Water Service Inc of SC

Messages

Paperless billing is now available. Please visit our Web Self Service site where you can obtain account information and register for paperless billing.
The site may be accessed by going to <http://www.uiwater.com/myaccount>.

349



PO BOX 160609
Altamonte Springs, FL 32716

pad
1-21

PAM HORACK
8 MISCHIEF ST
LAKE WYLIE SC 29710



Account Number:

Due Date: 1/24/2011

Please Pay: **\$ 76.66**

Amount Paid



updated mailing address
Carolina Water Service Inc of SC
PO Box 11025
Lewiston ME 04243-9476



☐ Address correction requested on back

349



Time on hold - 5 min

Miranda /
Nevada

Laurie? Irrigation
meter LM

Carolina Water Service Inc of SC

Phone: (800) 367-4314

Collections: (800) 367-4314

Customer Service: (800) 367-4314

www.uiwater.com

Bill Date	Account Number	Due Date	Please Pay:
01/30/2011		2/24/2011	\$99.91

Name **PAM HORACK**

Primary Telephone # **(803) 831-1929**

Service Address **8 MISCHIEF ST, LAKE WYLIE, SC, 29710**

Activity Since Last Bill

Previous Balance \$76.66
Payments received as of 01/30/2011 \$-76.66
Balance as of 01/30/2011 \$0.00

Residential Purchased Water

Water Distribution Base Charge \$13.31
Distribution Usage of 6,090 gallons at \$2.03 per 1,000 gallons \$12.36
York County Supply Charge \$20.03
SC DHEC Fee \$0.88
Total Residential Purchased Water \$46.58

York County Residential Wastewater Treatment

Wastewater Collection \$30.84
Usage of 6,090 gallons \$22.17
York County Wholesale Wastewater Base Charge \$0.32
Total York County Residential Wastewater Treatment \$53.33

Total Amount Due

\$99.91

13.31 30.84
- 11.09 - 25.70
2.22 5.10
✓

\$73.2

pd 2-23
\$7.36

A fee of 1.5% per month will be added if unpaid by the due date.

Make check payable to: Carolina Water Service Inc of SC

Messages

Paperless billing is now available. Please visit our Web Self Service site where you can obtain account information and register for paperless billing.

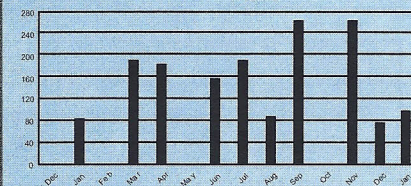
The site may be accessed by going to <http://www.uiwater.com/myaccount>.

Summary of Service

Meter Reading Meter #
Current 1336490 01/28/2011
Previous 1330400 12/23/2010
Usage 6,090 Gallons
Number of Days: 36
Average Daily Use: 169 Gallons
Average Daily Cost: \$2.78

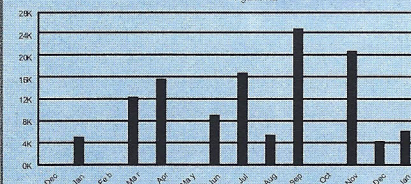
Billing History

in dollars



Consumption History

in gallons



PO BOX 160609
Altamonte Springs, FL 32716



Account Number:

Due Date: 2/24/2011

Please Pay: \$99.91

Amount Paid

UT10131A AUTO 5-DIGIT 29710
7000008524 01.0029.0064 8524/1



PAM HORACK
8 MISCHIEF ST
LAKE WYLIE SC 29710-9270

Carolina Water Service Inc of SC

PO Box 11025

Lewiston ME 04243-9476



☐ Address correction requested on back